

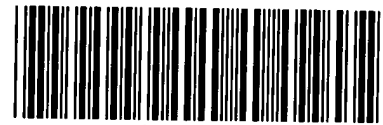
AM23

Notice of move from administration to dissolution



Companies House

F SATURDAY



A9AJW6DL

A14 01/08/2020 #234

COMPANIES HOUSE

A07 17/07/2020 #129

COMPANIES HOUSE

www.gov.uk/companieshouse

1 Company details

Company number 0 7 7 4 4 2 4 7

Company name in full Birmingham Flowers and Plants Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Courts
in Manchester

Court number 0 0 0 7 7 8 2 0 1 9

3 Administrator's name

Full forename(s) James

Surname Fish

4 Administrator's address

Building name/number The Copper Room

Street Deva Centre

Post town Trinity Way


County/Region Manchester

Postcode M 3 7 B G

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ①	
Full forename(s)	Alan Brian	
Surname	Coleman	
		① Other administrator Use this section to tell us about another administrator.
6	Administrator's address ②	
Building name/number	The Copper Room	
Street	Deva Centre	
Post town	Trinity Way	
County/Region	Manchester	
Postcode	M 3 7 B G	
Country		
		② Other administrator Use this section to tell us about another administrator.
7	Final progress report	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date	
Administrator's signature	Signature X  X	
Signature date	d 1 4 m 0 7 y 2 0 2 0	

AM23

Notice of move from administration to dissolution



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **James Fish**

Company name **Royce Peeling Green Limited**

Address **The Copper Room**

Deva Centre

Post town **Trinity Way**

County/Region **Manchester**

Postcode **M 3 7 B G**

Country

DX

Telephone **0161 608 0000**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint Administrators' Final Progress Report

Birmingham Flowers and Plants Limited – In Administration

Period: 16 February 2020 to 14 July 2020

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Unrealised Assets
- 4** Outcome for Creditors
- 5** Administrators' Remuneration
- 6** Creditors' Rights
- 7** Ending the Administration

APPENDICES

- A** Receipts and Payments Account for the Period from 16 February 2020 to 14 July 2020, together with a cumulative Receipts and Payments Account for the Period from 16 August 2019 to 14 July 2020
- B** Time Analysis for the Period from 16 February 2020 to 14 July 2020, together with a cumulative Time Analysis for the Period from 16 August 2019 to 14 July 2020
- C** Time Cost Narrative
- D** Royce Peeling Green Limited Charging Policy
- E** Additional Information in Relation to the Joint Administrators Fees, Expenses & Disbursements

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

1 Introduction

- 1.1 I, together with Alan Brian Coleman, was appointed Joint Administrator of Birmingham Flowers and Plants Limited (the **Company**) on 16 August 2019. The appointment was made by the Qualifying Floating Charge holder, Seneca Trade Partners LLP.
- 1.2 This Administration is being handled by Royce Peeling Green Limited at The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG. The Administrators' contact details are by phone on 0161 608 0000 or via email at insolvency@rpg.co.uk. The Administration is registered in the High Court of Justice, Business and Property Courts in Manchester, reference number 000778 of 2019.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.rpg.co.uk/insolvency/privacy.pdf>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company is Unit 22 Gravelly Industrial Park, Tyburn Road, Birmingham, B24 8HZ.
- 1.5 The registered office of the Company is The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG and its registered number is 07744247.
- 1.6 As the Administration has now completed, I am required to provide a progress report covering the period since my last report which ended on 15 February 2020. This is my final report in the Administration and covers the period from 16 February 2020 to 14 July 2020 (**the Period**) and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was realising property to make a distribution to the secured or preferential creditors. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.

Statutory Duties

- 2.3 Following our appointment, all statutory documents confirming the appointment were filed at companies house in accordance with Insolvency Law and the relevant SIP16 extract was circulated to creditors, together with the administrators' proposals.
- 2.4 The administrators liaised with the director in order to explain the effect of the appointment and to obtain the necessary information required to enable us to carry out our statutory duties.
- 2.5 The administrators liaised with the Company's bankers in order to obtain bank statements which were fully reviewed whilst complying with our duty to report to the Department of Business, Innovation and Skills on the conduct of the director.
- 2.6 The administrators liaised with the director in order to facilitate the completion of a statement of affairs, which was lodged at Companies House during the period.

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Debtors

- 2.7 As outlined within the administrators' proposal, the Company's draft accounts indicated a sales ledger balance of c£195k being due to the Company.
- 2.8 It was our understanding from discussions with the Company's accountants that this balance included significant balances that may not be recoverable due to debtors entering into insolvency procedures and potential counter claims from debtors.
- 2.9 The administrators reviewed the sales ledger and pursued all sums considered payable to the estate, however, in many cases the customer had entered insolvency proceedings whilst the remainder of customers disputed the debts in their entirety.
- 2.10 In addition, the administrators were not provided with sufficient information to enter into negotiations with any customers who disputed their debt.
- 2.11 In light of the limited information in the administrators' possession and the fact that the debts are disputed no realisations were achieved from this source.
- 2.12 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments Account from the date of my appointment to the conclusion of the Administration.

Receipts

It should be noted that there have been no receipts during the period, however, below are details of the receipts throughout this assignment which have been provided within previous reports.

Pre-Packaged Sale

- 2.13 As creditors are aware, a pre-packaged sale of the Company's business and assets was concluded on 16 August 2019 to Birmingham Landscape Plants & Flowers Limited.
- 2.14 Full information on the sale pursuant to the requirements of Statement of Insolvency Practice 16 which was circulated with the administrators proposals.
- 2.15 The total consideration for the sale was £30,000, of which £20,000 was paid on completion with £10,000 deferred over 5 months (September 2019 to January 2020). The deferred consideration was supported by a personal guarantee from the Director (Jeff Large).
- 2.16 I can confirm that the total sum of £30,000 has been received in this matter.

Payments

Specific Bond

The administrators are required to take out bonding and the sum of £96 has been paid to Marsh Ltd in this regard.

Pre-Appointment Fees

As outlined in the administrators' proposals, pre-appointment time costs in the sum of £9,764.75 were incurred in this matter, which were subsequently approved for payment by Company's secured creditors.

As previously advised, the sum of £9,764.75 has been drawn in this matter.

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Joint Administrators Fees

During the period, post appointment fees in the sum of £5,091.78 have been drawn. Please see below for further details regarding the administrators' remuneration.

Agents Fees & Disbursements

As previously reported, agents' fees and disbursements in the sum of £2,130 were paid to Wignall Brownlow Chartered Surveyors in relation to their assistance prior to appointment.

Legal Fees & Disbursements

Knights Plc provided assistance prior to appointment and prepared the sale and purchase agreement in respect of the pre-packaged sale.

During the period, a further fee of £750 was paid to Knights Plc for their assistance with dealing with the landlord of the Company's former premises.

Accordingly, the total sum of £6,026 was paid to Knights during this assignment.

Marketing Expense

Disbursements of £195 were incurred in connection with the online marketing of the business and assets via www.IP-bid.com.

These costs have been settled during the course of this assignment.

Statutory Advertising

- 2.17 The administrators are required to advertise their appointment in the London Gazette and advertising costs in the sum of £87.48 have been paid in this matter.

Petitioning Creditor Costs

- 2.18 A creditors are aware, a supplier had issued a winding up petition against the Company on 24 May 2019 and the petition debt could not be paid. The Petition was advertised in the London Gazette on 18 July 2019 and the hearing was scheduled for shortly after the administrators' appointment.
- 2.19 The winding up hearing went ahead and the petition was suspended, however, the court ordered that the petitioning creditors' costs were paid as an expense of the administration
- 2.20 Accordingly, the sum of £2,250 was remitted to the petitioning creditor.

Legal Counsel Fees

- 2.21 Knights Plc, solicitors, were instructed to attend the petition hearing on behalf of the Company and the sum of £500 was paid to them for their services. This was to ensure that the administration was brought to the attention of the judge and the winding up petition suspended.

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Connected party transactions

- 2.22 In accordance with Statement of Insolvency Practice 13, I would advise you that the following assets were sold to a party connected with the Company:

Date of transaction	Assets involved & nature of transaction	Consideration	Sold to	Relationship
16 August 2019	Business & assets	£30,000	Birmingham Landscape Plants & Flowers Limited	Common Director

3 Unrealised Assets

- 3.1 I would confirm that all assets have now been realised and the cumulative Receipts and Payments Account at Appendix A reflects the final position on both realisations achieved and payments made during the course of the Administration. This includes details of all expenses and disbursements incurred and paid by the Administrators.

4 Outcome for Creditors

Secured Creditors

Secured Creditors

The following charges are registered at Companies House: -

Charge in favour of	Date of Creation
HSBC Bank Plc	14 April 2014
Seneca Trade Partners Ltd	27 July 2018

At the date of the Administrators' appointment, the sums due to each secured creditor is estimated as follows:

- HSBC Bank Plc - £42,000
- Seneca Trade Partners - £100,000

- 4.2 I would advise that first and final distribution in the sum of £500 was distributed to HSBC Bank Plc under their fixed charge.
- 4.3 It should be noted that no further distributions to the Company's secured creditors are anticipated in this matter.

Preferential Creditors

- 4.4 Preferential claims relate to employees for arrears of wages, salary and holiday pay.
- 4.5 As a result of the sale of the business and assets and the employees of the Company transferring to the purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006, there are no preferential claims in this matter.

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Unsecured Creditors

- 4.6 Claims of unsecured creditors are estimated at £861,734.63 per the latest Sage management accounts.
- 4.7 This includes sums due to HM Revenue & Customs, trade suppliers and sums to the director.
- 4.8 The Company granted a floating charges to Seneca Trade Partners Ltd and HSBC Bank Plc. Accordingly, I was required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).
- 4.9 Based on present information, the value of the Company's net floating charge property to be £Nil. Arising from this, the value of the unsecured creditors' fund is presently estimated to be £Nil.
- 4.10 Accordingly, due to insufficient realisations, there was no prospect of any return to unsecured creditors in this matter.

5 Administrators' Remuneration

- 5.1 The basis of the Administrators' fees has been fixed in the Administration either by reference to the time properly spent by him and his staff in managing the Administration. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 5.2 My fees estimate/information was originally provided to creditors with my proposals and was agreed by Seneca Trade Partners in their capacity as secured creditor
- 5.3 A copy of that estimate is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	61.00	160.41	9,785.00
Realisation of assets	30.00	155.83	4,675.00
Creditors (claims & distributions)	21.00	180.00	3,780.00
Investigations	27.50	155.45	4,275.00
Total estimated fees			£22,515.00

- 5.4 My time costs for the Period are £5,046.50. This represents 28.80 hours at an average rate of £175.23 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this final period in respect of the costs fixed by reference to time properly spent by me in managing the Administration. A narrative explanation of the work undertaken by the Administrators during the Period can be found at section 2 of this report.
- 5.5 Attached as Appendix B is a cumulative Time Analysis for the period from the date of my appointment on 16 August 2019 to 14 July 2020 which provides details of my total time costs in the Administration. These time costs total £27,624.75 which represents 158.95 hours at an average rate of £173.80 per hour.
- 5.6 You will recall that I provided creditors with my fees estimate prior to the agreement of the basis of my remuneration as time costs. I would confirm that it was not necessary during the Administration to seek further approval to increase this estimate. The approved fees estimate in force at the end of the Administration imposed an overall cap on my fees of £22,515.
- 5.7 I would confirm that £8,291.78 has been drawn against my accrued time costs, which is below the level of the fees estimate approved by creditors.

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

- 5.8 Attached at Appendix C is a time cost narrative outlining the time spent by the Administrators and their staff during the course of the administration, which fall under the following main headings: -.

Administration (including statutory compliance & reporting)

- 5.9 As noted above, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information.
- 5.10 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.
- 5.11 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 5.12 It is considered that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the unsecured creditors of the Company.

Creditors (claims and distributions)

- 5.13 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 5.14 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 5.15 The above work will not necessarily bring any financial benefit to creditors generally, however the Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.

Investigations

- 5.16 Some of the work the Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrators can pursue for the benefit of creditors.
- 5.17 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 5.18 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate.

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

This assessment took into account information provided by creditors either at the initial meeting (where held) or as a response to my request to complete an investigation questionnaire.

- 5.19 My investigations have revealed issues requiring further investigation in respect of banking transactions in the lead up to the administrators' appointment. I can confirm that it was established that no further potential recoveries could be pursued for the benefit of creditors.
- 5.20 Attached at Appendix E is additional information in relation to the Administrators' fees and the expenses and disbursements incurred in the Administration.
- 5.21 A copy of "A Creditors' Guide to Administrators' Fees" is available on request or can be downloaded from www.rpg.co.uk/downloads/fees/post20151001/Administrators.pdf. If you would prefer this to be sent to you in hard copy please contact Chris Jones of this office on 0161 608 0000 or via e-mail at chris.jones@rpg.co.uk.

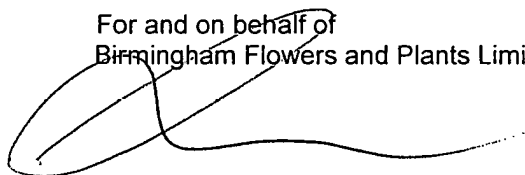
6 Creditors' rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

7 Ending the Administration

- 7.1 I would confirm that I have sent a notice to the Registrar of Companies to be filed, moving the Company to dissolution as there is no property which might permit a distribution to the unsecured creditors.
- 7.1 The Administrators' appointment will end following the registration of the notice by the Registrar of Companies. A copy of this notice is enclosed.

For and on behalf of
Birmingham Flowers and Plants Limited



James Fish
Joint Administrator

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Appendix A - Receipts and Payments Account for the Period from 16 February 2020 to 14 July 2020, together with a cumulative Receipts and Payments Account for the Period from 16 August 2019 to 14 July 2020

Statement of Affairs (£)		Period: 16/2/2020 to 14/07/2020 (£)	Period: 16/08/2019 to 14/07/2020 (£)
	SECURED ASSETS		
500.00	Goodwill	0.00	500.00
		0.00	500.00
	SECURED CREDITORS		
(42,000.00)	HSBC Bank Plc	500.00	500.00
(100,000.00)	Seneca	0.00	0.00
		(500.00)	(500.00)
	ASSET REALISATIONS		
5,000.00	Plant & Machinery	0.00	5,000.00
7,447.00	Fixtures, Fittings & Equipment	0.00	7,497.00
1.00	The Contracts	0.00	1.00
17,000.00	Stock	0.00	17,000.00
1.00	Business Information	0.00	1.00
Uncertain	Book Debts	0.00	0.00
1.00	Intellectual Property	0.00	1.00
	Miscellaneous Receipt	0.00	18.00
	Bank Interest Gross	0.90	3.66
		0.90	29,521.66
	COST OF REALISATIONS		
	Specific Bond	0.00	(96.00)
	Preparation of S.of A.	0.00	(9,764.75)
	Joint Administrators' Remuneration	(5,091.78)	(8,291.78)
	Joint Administrators' Disbursements	(130.65)	(130.65)
	Legal Counsel Fees	0.00	(500.00)
	Petitioning creditor	0.00	(2,250.00)
	Agent's Fees & Disbursements	0.00	(2,130.00)
	Legal Fees	(750.00)	(5,750.00)
	Legal Disbursements	0.00	(276.00)
	Marketing Expense	(245.00)	(245.00)
	Statutory Advertising	0.00	(87.48)
		(6,217.43)	(29,521.66)
	UNSECURED CREDITORS		
(716,569.30)	Trade & Expense Creditors	0.00	0.00
(140,000.00)	Directors	0.00	0.00
(22,245.48)	HMRC - VAT	0.00	0.00
(15,695.03)	HMRC - PAYE	0.00	0.00
		0.00	0.00
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,006,659.81)	BALANCE	(6,716.53)	0.00


James Fish
Joint Administrator

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Appendix B

**Time Analysis for the Period from 16 February 2020 to 14 July 2020, together with a cumulative
Time Analysis for the Period from 16 August 2019 2019 to 14 July 2020**

APPENDIX B

Birmingham Flowers and Plants Limited - In Administration

Time spent by grade in the period from 16 February 2020 to 14 July 2020

	IP	Senior Administrator	Administrator	Cashier / Support	Total Hours	Total Cost £	Average Rate £
	£300	£160	£105	£105			
Administration & Planning	4.50	-	-	1.00	5.50	1,455.00	264.55
Cashiering	-	-	-	5.30	5.30	556.50	105.00
Creditor Communications	1.50	13.50	-	1.00	16.00	2,715.00	169.69
Realisation of Assets	-	2.00	-	-	2.00	320.00	160.00
Investigations / CDDA	-	-	-	-	-	-	-
Total hours/Cost	6.00	15.50	-	7.30	28.80	5,046.50	175.23

Time spent by grade in the period from 16 August 2019 to 14 July 2020

	IP	Senior Administrator	Administrator	Cashier / Support	Total Hours	Total Cost £	Average Rate £
	£300	£160	£105	£105			
Administration & Planning	14.25	33.00	3.15	1.00	51.40	10,935.75	212.76
Cashiering	-	-	-	14.30	14.30	1,501.50	105.00
Creditor Communications	13.75	22.50	2.90	1.00	40.15	8,134.50	202.60
Realisation of Assets	1.50	15.50	7.10	-	24.10	3,675.50	152.51
Investigations / CDDA	1.00	2.50	25.50	-	29.00	3,377.50	116.47
Total hours/Cost	30.50	73.50	38.65	16.30	158.95	27,624.75	173.80

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Appendix C

Time Cost Narrative

Administration (including statutory compliance & reporting)

This work includes:

- Preparation of appointment documentation
- Ensuring appointment documentation is sent to companies house and London gazette
- Case Reviews;
- Creation and update of case files on the firm's insolvency software
- Securing the Company's books and records
- Pension regulatory reporting and auto-enrolment cancellation
- Completion and filing of the notice of the Company's insolvency to HMRC
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter)
- Opening, maintaining and managing the liquidation estate cashbook and bank account(s)
- Dealing with all post-appointment VAT and corporation tax compliance
- Bank Reconciliations;
- Case filing.

Creditors (claims and distributions)

This work includes:

- The preparation and circulation of the administrators proposals and SIP16 disclosure
- The preparation and circulation of the 6 month and final progress reports
- Telephone conversations and e-mail correspondence with creditors
- Logging and filing the claims received

Realisation of assets

This work includes:

- Securing payment of the deferred consideration due in respect of the pre-packaged sale
- Requesting further information regarding the Company's debtors
- Chasing debtors for payment

Investigations

This work includes:

- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the liquidation
- Completing an analysis of the Company's bank statements
- Reviewing the sums due to HMRC in respect of VAT & PAYE
- Submitting a statutory report to the Insolvency Service under the CDDA regarding the directors conduct

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Appendix D

Charging Policy

Introduction

This note applies where a licenced insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of resolution for the office holder to be remunerated on a time cost basis.

In addition, this note also applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest.

Office Holder's Fees in respect of the Administration of the Insolvent Estate

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensure that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time, which is detailed below.

Disbursements incurred by the Office Holder's in respect of the administration of insolvent estates

Best practice guidance classifies the expenses into two broad categories:

- Category 1 disbursements (approval not required) – specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- Category 2 disbursements (approval required) – items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable into an independent third party.

The following items are charged to a case (subject to approval)

- Internal meeting room usage for the purpose of physical meeting of creditors is to be charged at a rate of £100 per meeting;
- Car mileage is to be charged at the rate of 45 pence per mile;
- Storage of books and records (where not chargeable as a category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates

Charge-Out Rates

Royce Peeling Green Limited's current charge-out rates effective from 1 January 2019 are detailed below.

Please note this firm records its time in minimum units of 6 minutes.

	(Per hour) £
Insolvency Practitioner	300.00
Senior Insolvency Administrator	160.00
Administrator/Cashier	105.00

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

Appendix E - Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

8 Staff Allocation and the Use of Sub-Contractors

- 8.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 8.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 8.3 We are not proposing to utilise the services of any sub-contractors in this case.

Professional Advisors

- 8.4 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Knights Plc (legal advice)	Hourly rate and disbursements
Wignall Brownlow (valuation and disposal advice)	Hourly rate and disbursements
[Solicitor's name] (legal advice)	Hourly rate and disbursements

- 8.5 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

9 Joint Administrators' Expenses & Disbursements

- 9.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report a copy of which is set out below:

Expense	Estimated cost £
Agents' costs	2,130.00
Solicitors' costs	6,800.00
Marketing Expense	195.00
Statutory advertising	169.20
Specific penalty bond	240.00
Bank Charge	75.00

Current position of Joint Administrators' expenses

- 9.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs	2,130.00	0.00	2,130.00
Solicitors' costs	5,500.00	0.00	5,500.00
Statutory advertising	87.48	0.00	87.48
Specific penalty bond	96.00	0.00	96.00

BIRMINGHAM FLOWERS AND PLANTS LIMITED - IN ADMINISTRATION

- 9.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 9.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

10 Charge-Out Rates

- 10.1 Royce Peeling Green Limited's current charge-out rates effective from 1 January 2019 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

	(Per hour) £
Insolvency Practitioner	300
Senior Insolvency Administrator	160
Insolvency Administrator / Cashier	105